

REPORT

DATE: October 4, 2007
TO: Administration Committee and Regional Council
FROM: Leyton Morgan, Manager of Contracts
SUBJECT: Amend C2 Group, LLC Contract

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION:

Authorize \$10,000 from the FY07-08 general fund project reserve budget to fund the contract amendment 1 with C2 Group, LLC (C2).


BACKGROUND:

The contract amendment is for C2 to provide specialized technical assistance to finalize legislative language that SCAG proposes to introduce in this Congress that would provide for Tax Credit Equity Financing for goods movement and transportation projects.

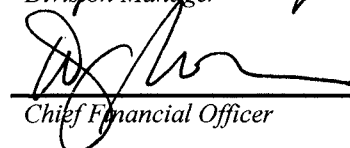
FISCAL IMPACT:

\$10,000 from the FY07-08 general fund project reserve will be appropriated to fund contract 08-001, amendment 1 with C2 Group, LLC.

Reviewed by:


Division Manager

Reviewed by:


Chief Financial Officer

CONSULTANT CONTRACT AMENDMENT

Consultant: C2 Group, LLC

Scope: C2 is SCAG's federal government affairs consultant/lobbyist. C2 prepares and implements strategies that establish SCAG as an influential leader in the development of federal legislative, regulatory and policy initiatives that affect the SCAG region. The federal government affairs consultant/lobbyist facilitates communication with federal government officials and agencies; arranges briefings and schedules visits for Regional Council Members, SCAG executive management, government affairs and other SCAG staff with appropriate members of Congress, legislative staff, and key Administration officials and staff; seeks out and coordinates opportunities for SCAG to provide testimony at relevant committee hearings. When appropriate, the federal government affairs consultant works in partnership with SCAG's state government affairs consultant/lobbyist to facilitate the achievement of SCAG's federal legislative objectives.

Contract Amount: This amendment is for \$ 10,000
Original contract is for \$ 881,120
Total contract value is not to exceed \$ 891,120

Contract Period: August 2, 2007 - June 30, 2011

Work Element: 08-800.SCGS1 - \$220,280 Funding Source: General Fund
08-800.SCGC1 - \$ 10,000 Funding Source: General Fund

Request for Proposal: Not applicable

Selection Process: Not applicable

Recommendation: The contract amendment is sought to provide up to \$10,000.00 dollars for C2 to provide specialized technical assistance to finalize legislative language that SCAG proposes to introduce in this Congress that would provide for Tax Credit Equity Finance for goods movement and transportation projects.

SCAG transportation finance staff has written a first draft of the legislation. Our lobbyist has advised that we engage the services of a consultant and/or law firm that has previous experience highly technical tax legislation to finish the bill prior to submittal to Congressman Xavier Becerra, who has indicated that he will carry the bill for SCAG.

This highly specialized, complex legislation is modeled closely upon the New Market Tax Credit legislation passed by the Congress and established by the Community Renewal Tax Relief Act of 2000. It would provide financial incentives for private investment in goods movement and mitigation projects. Tax Credit Equity financing allows for investors to contribute up-front capital to fund a portion of project costs (roughly 1/3 of total project costs), and in return receive annual tax credits. The balance would be debt financed and/or financed through flexible TIFIA loan structures as well as local project sponsor contributions.